

Who Will Govern Metropolitan Regions in the 21st Century?, Published Paper in 2008, by Armonk, New York: M. E. Sharpe, Donald Phares, editor

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Why Metropolitan Governance Is Growing as is the Need For Elastic Governments

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Introduction

For some students of urban governance, the consistent infatuation with calls for consolidated governments and more regional cooperation among local governments from numerous community leaders generate wry smiles. With a consistency that has become predictable, metropolitan regions experiencing stagnating economic conditions, those suffering through a decline, and even those experiencing rapid growth are peppered with proposals calling for the consolidation of local governments. While economic conditions might vary what has a recurring consistency is the view that fewer governments and a concentration of political authority will lead to more effective responses to economic development and the management of congestion and growth-related environmental issues.

To be sure in some regions – as illustrated in other chapters – political culture and history engendered different perspectives. In St. Louis there were waves of interest in restructuring government – far more than would emerge in Greater Cleveland – but like what took place in Northeast Ohio, local governments remained independent. However,

that did not thwart regional cooperation and the building of needed institutions for regional governance to address specific problems and challenges. Baltimore, with but six governments has found it no less complex to build cooperative relationships as is discussed in Chapter 7, then did the more numerous governments in Greater Cleveland or Greater St. Louis.

Around what did metropolitan cooperation occur? In stagnating and declining areas the frequently touted goal is a unified voice and plan for advancing a region's economy. This perspective assumes that fragmented local governments structures assume some of the responsibility for changing economic conditions, globalization and its impact on regional economies, tax structures, or other factors that have led a region to fall behind faster growing areas. A related assumption is that fractionated governments cannot coordinate activities for economic development. In faster growing areas there are frustrations with the rate at which congestion and environmental threats arise and vacant land vanishes. Consolidation advocates believe a unified government will be better able to curtail sprawling development patterns that threaten the quality of life and that fragmented governments have more incentives to pursue more narrowly defined self-interests that mitigate against regional and longer-term land use policies (Leland and Thurmaier, 2005).

What is the irony in these proposals that brings a wry smile to the face of some students of urban governance?

For more than 20 years, teams of researchers have expanded the study of the governance of urban areas to look the roles assumed by the large numbers of non-profit organizations in the delivery of social services (see, for examples, Saloman, 2003; Smith

and Grønbjerg, 2006); the expanding level of intergovernmental contracting and service delivery agreements to reduce costs and achieve economies of scale (see, for example, Thompson and Elling, 1999; Thompson, 1995); and, the roles played by regional authorities, planning organizations, and other metropolitan organizations created by governments and other groups to deliver services at a regional level or across many cities (see, for example, Hooghe and Marks, 2003; Foster, 1995; Oakerson, 1999). These assessments illustrate substantial levels of regional activity and cooperation for service delivery to take advantage of efficiencies of scale and regional cooperation for economic development and the management of externalities. The nonprofit organizations, the inter-local contracts, and the numerous special districts that exist each span the boundaries of several if not all cities in a region. In terms of governance, then, these organizations and agreements are regional cooperation without a city/county consolidation, the merger of cities, or the consolidation of a set of governments. St. Louis provides a vivid illustration of this framework even after defeats to consolidation. So too as will be documented, local governments in the Northeast Ohio region have cooperated after movements focused on county consolidation collapsed or just evaporated. In short, in areas with a multiplicity of local governments there is far more regionalism taking place in the governance of urban regions in the United States than advocates for consolidation want to acknowledge. As will be argued here, this pattern of creating special arrangements and districts will continue to grow meaning more not less regionalism in the future. Further, it will be suggested that the consolidation of local governments is not the only route to achieve this higher level of regional cooperation, but consolidated systems might well

work against the interests of citizenship and providing residents with a sense of local control over those services delivered on a neighborhood level.

Why do fragmented local governments agree to cooperate with one another? When does self-interest for cooperation overcome the self-interest or desire for independence or “bowling alone?” There are few empirical studies examining why local governments cooperate and with too few assessments no meaningful pattern emerges. However, tax levels, fiscal capacity, and the ability to deliver public services at competitive rates are prevalent concerns (Leroux & Carr, 2007). Feiock (2007) explains that the inter-local cooperative governance occurs where there are collective benefits and private interests that unify different local actors to achieve individual and collective economic and political opportunism while providing different public services efficiently in a specific context. He argues that voluntary agreements of cooperation and coordination emerge from a dynamic political contracting process in which all partners achieve benefits that exceed the transaction costs of bargaining a contracting agreement. He states that specific community characteristics reduce the transaction costs needed to create the necessary institutional arrangements for both formal and informal levels of cooperation. The approach used by the local governance official of how to understand these costs will be determined by the environment of the decision setting, the characteristics of targeted service, the economic, social, and political characteristics of community populations (demographic homogeneity), characteristics of the configurations of political arena under which they function (state’s constitutions, local governance’s enabling legislation, laws and regulations), and the networks of their existing relationships. All these factors play important roles in determining and shaping

preferences for public services and the potential gains and transaction costs of the inter-local cooperative governance that have influenced different areas including St. Louis areas, Tampa Bay, Pinellas County-Florida, municipal governments in Georgia, Kansas City metropolitan area, Michigan and Pittsburgh metro areas.

The analyses and overviews of the role of nonprofit organizations, inter-local contracts, and regional authorities and organizations could lead some to conclude that regional governance models are both being experimented and utilized with increasing regularity in virtually all-large urban areas. Indeed, whether one thinks of the highly fragmented New York City, San Francisco, Dallas/Fort Worth, and Atlanta metropolitan areas – each characterized by large numbers of units of local government – there are still examples of regional transportation authorities and planning agencies in each area. Metropolitan Cleveland with 57 cities in its central county and several suburban counties has instituted an extensive income tax-base sharing program that transfers not less than \$201.5 million to the center city each year. The total amount of dollars moving between cities in Cuyahoga County each year is more than \$538 million giving this highly fragmented local government landscape one of the nation's largest regional tax base sharing programs. In 2008 the Mayors and Managers Association of Cuyahoga County led the effort to create a regional tax base sharing program modeled on the one used in the Minneapolis/St. Paul region. Beginning in 2009 40 percent of property tax and income tax growth will be shared and distributed by a formula involving the number of households in a city and the age of housing.

Examples of regional governance may well abound where one did not expect to find it if the analysis focuses only the number of local governments that exist.

Indeed what is important is not the number of local governments, but the ways in which those local governments have organized themselves for cooperation, the number of nongovernmental organizations involved in regional governance that participate in the delivery of services, and the tax base sharing efforts that exist. If the correct framework for analysis is used one might be led to conclude that there are far more regionalized governance systems that exist in urban America than is found from an enumeration of consolidated systems. When one enumerates only the consolidated governments a very incomplete picture of regionalism and regional governance is produced.

As such, calls for consolidated city/county governments or expanded levels of regionalism might actually seem “behind the times” or passé in the sense that (1) the scale and scope issues for urban governance have been actively debated in the US, Canada, and Western Europe for more than three decades and (2) models of and experiments with different types of regionalism for service delivery are being repeatedly implemented, refined, and modified on an on-going basis. Regionalism is a dynamic process and actively evolving in virtually every urban center. Regions without either significant special districts, planning authorities, intergovernmental agreements for joint service delivery, or tax programs with the potential for redistribution across the boundaries of individual local governments if they exist would be the exception, not the rule. Cooperation for improved efficiency and service delivery balanced by a desire for appropriately sized local governments is taking place despite siren calls that there is no regionalism. Indeed, when one considers inter-local government contracts for service delivery and all of the other forms of regional cooperation taking place, regionalism seems to be on the rise, even in the absence of consolidated governments or when regions

vote not to consolidate. While the form of consolidation for service delivery efficiency varies the concept of regional level cooperation or, at a minimum, joint-government cooperation involving varying numbers of communities seems wedded to every region's operations and development. Greater Cleveland and metropolitan St. Louis, typically described as fragmented boost extensive sets of examples of consolidated service delivery and in the case of Greater Cleveland, substantial levels of regional tax base sharing involving property and income taxes.

Local governments officials – regardless of the level of fragmentation that exists - realize that cost-effective way to manage the financing of infrastructure and growth can lead to lower taxes and more competitive positions for their region. Different factors including substantial scale economies, large initial costs, and the high asset specificity of these services make local governments to adopt the inter-local government's strategy and to be involved in shared service delivery. Leroux and Carr (2007) argue that despite the expected cost advantages of collaborating on public works services including the efficient management of local environmental issues, crime combating, and economic development, service costs maintenance, spillover effects minimization, and boundary-spanning infrastructure planning, few local governments might be hesitant to be involved in the inter-local governments because local citizens and in a specific district might lack a direct involvement and participation in the early decision-making while drawing the different urban planning processes that influence directly their lives and properties. Moreover, some might argue that heavy reliance on intergovernmental revenues may mean that their revenues are less stable than if the funding was provided through own-source revenues of the local government. In spite of these preservations against the inter-

local government contracting, Leroux and Carr (2007) emphasizes that the different local governments in Michigan regularly cooperate on the provision of various public services.

In this environment, then, calls for consolidated governments or more regionalism miss the point that the process or use of some forms of consolidated service delivery takes place everywhere and expands and contracts in response to issues and the local culture. But to assume that there is no regionalism or service consolidation in the absence of structural change is not accurate. It will be posited here that regionalism and regional cooperation is increasing, and much as Hooghe and Marks (2003) noted, the active debate taking-place is over the types of structures for different service delivery systems as (1) the number of challenges for local governments span individual city boundaries and (2) authority is devolved from state-level institutions leaving regions and cities to fend for themselves. However, this experimentation and debate is taking place almost independent of the repeated calls for consolidation and in spite of an urban myth that such cooperation is not taking place.

Lastly, what can not be overlooked in the discussion of the emergence of regional governance systems is the value of having local control at the city and neighborhood level for services that are not only efficiently delivered at that level, but which also enhance a sense of citizenship. Increasingly large organizations create a scale for participation that is difficult to effectively manage. It is not unreasonable to note that in these larger scale organizations and governance systems individuals might find it more difficult to participate in decision-making. However, in a hybrid system, one that identified the services that are best delivered at the neighborhood-level, opportunities for participation and citizenship are actually enhanced. Those that focus their attention

solely on consolidated frameworks may well sacrifice laboratories of citizenship where people learn about and participate in local government and governance. That is an asset that should be protected and enhanced. What is suggested then by a flexible governments approach to governance is that neighborhood or community-level services are delivered best by smaller local governments. However, as evidenced by agreements and the creation of special districts in areas such as Greater Cleveland and metropolitan St. Louis the large-scale issues such as transportation, water and sewer services, health care for those without insurance, environmental issues, and economic development are best handled by associations, special districts, or special alliances or associations of governments. In this manner flexible governments are simultaneously independent

Governing Urban Space: Myth and Reality

Warren, Rosentraub, and Weschler (1992), building on an earlier essay by Warren and Weschler (1972) discussed the urban governance conundrum that confronted many areas and which they predicted would define some of the issues for cities in the 1990s. For a myriad of services that define the quality of life for citizens, from police patrols to neighborhood parks, the scale of service delivery should be the smallest unit of government possible. For other services – indeed the majority that impact citizens in a region and which are increasingly dominating the agenda of mayors – from economic development to environmental management to transportation and land use planning, a larger scale is needed. Indeed for many of these services or issues a regional scale is highly appropriate, or at least a scale that included several communities or cities into a single service delivery unit. However, these different scale operations for service

delivery could be achieved through inter-local agreements and compacts that left the independence and structure of local governments intact. Indeed, given the importance of neighborhood service delivery for the quality of life, the argument might be made that a maximum effort should be expended to insure that local and neighborhood service level provision or production for some services be maintained and strengthened.

The economic decentralization and global competition that is having a substantial impact on the Midwest's industrial centers also meant that central cities in that part of the US were becoming fiscally challenged in their ability to deliver needed urban services to increasingly poor residential populations. This again underscores the need for regional frameworks for the structuring of tax bases to support local services and for the development of strategies to reverse the decline. For example, by 2005, Cleveland among other Midwest central cities would have 25 percent or more of its households classified as poor. What Warren, et. al. (1992) were suggesting was that governance systems would need to be flexible and able to respond to regional and local challenges simultaneously, and not be lured into a framework of thinking that one governance structure – consolidation, fragmentation, region, or neighborhood – would address the governance needs of any city or region.

Earlier research work by these same three authors (Warren, Rosentraub, and Weschler, 1988) pointed to the roles of the various governance institutions at work in urban regions. Identified as a “community services budget,” the line of reasoning suggested that in looking for the correct scope and scale of institutions one needed to consider the inputs from nonprofit organizations, governments, businesses, and citizens themselves (co-production) to understand the range of activities and organizations that

produced desired levels of services in communities, cities, and a region. Some of these inputs might have been delivered or made available as a result of resources provided by regional or international institutions at the same time that neighborhood associations and individuals themselves were involved in producing or delivering services. At each level and for many services municipal and county governments were also involved. In that setting, coordination of service delivery inputs might be required, but there would also have to be considerable thought given into the appropriate scale of governance institutions. However, this work clearly pointed to the need for extreme flexibility in the approach to designing urban governance systems and cautioned against the possibility that any region would or could be effectively and efficiently management by a single consolidated government, or for that matter, fragmented local governments acting independently without inter local agreements or regional cooperation compacts and associations. As Thompson and Elling (1999) were to later declare, “let them eat marble cake” may have been more prophetic than they imagined. Whether or not a government is consolidated or not, whether a region is characterized by fragmentation or not, what will emerge in any region’s governance system are a number of regional or special government agencies or authorities and organizations as well as a myriad of local government and neighborhood social and urban service delivery systems. Indeed, what this work suggested is that urban governance is a complex amalgam of governments, institutions, organizations, and citizens engaged in service provision and production. To think that any single scale of government at the local level could or would control, manage, or direct the wide ranging set of services and activities that are described as local ignores the reality “on the ground.”

Governance, as the term is being used in this chapter, refers to the full-range of public, private, and nonprofit organizations created by residents of a region to pursue collective goals. Many nonprofit and other private organizations serve an entire region. As a result, even in a region with no metropolitan governments or a consolidated service delivery unit there are numerous regional organizations providing services. Across the past several decades scholars focused on the nonprofit sector have noted its complex scale and scope (Saloman, 2003; Smith and Grønbjerg, 2006). Many organizations serve an entire region and work with various governments to address economic, environmental, and social issues. In addition, chambers of commerce and other organizations with regional constituencies often work to advance the economic development of a region. As a result, when communities consider the merits of consolidated or fragmented local governments to address economic, social, or environmental issues, while also focusing on the delivery of services and enhanced neighborhoods, it is important to remember that the needed scale for the organizations required will vary.

There is an understandable desire to conceive of a simplified if not unified local government structure to deal with all services and issues in a metropolitan area or county. That desire perhaps emanates from a hope for a simple package design for local governments and governance. However, the reality of people's preferences, the scale and scope of issues that impact a region, city, and neighborhood coupled with the need for management efficiencies, is that the scale of governance units will change and be dictated by those realities for each service. Those realities or pressures change dramatically by service function meaning a maximum flexibility in organizational design is a necessity for any realistic discussion of urban governance. As will be discussed later, the range of

regional-level issue is actually increasing requiring the development of new flexibilities. A longing for a unified structure is, simply put passé.

Leroux and Carr (2007) demonstrated that a greater reliance on intergovernmental revenues does not imply less cooperation as suggested by others. For example, the expenses of constructing and maintaining water and sewer is a huge burden for many local governments, even for the governments which have high property values and high-income residents. Spending on roads and streets is fairly easily balanced with what can be decided by the local governments' budget. However, the costs of utilities are far easier to manage across a large number of households and cities. Because of cost considerations local governments may delay a scheduled road repair but they do not have the same choice when the issue is to ensure that residents have clean water to drink. In few words, local economic resources available to a specific district only dictate cooperation decisions to the extent that there is decision flexibility built into the service that is intended to be provided to the community.

A new wrinkle and an element that has to be included in any discussion of flexible governance and governments is the rise of private governance structures sanctioned by cities. This is an example of local governance at the neighborhood level within the context of cooperating with the larger city while focused on issue specific to a local neighborhood. The private governance or government movement is even filled with examples of people willing to pay higher taxes to focus on local solutions without negating their responsibilities to the city or region. While neighborhood or homeowner associations might serve as examples, more recently business improvement districts (BIDs) have been permitted that allow corporate neighbors to enhance the quality of

public services in designated areas (Mitchell, 2008). Special assessments are made and enforced by local governments, and the fees collection to not replace any local tax responsibilities. However the funds are used to provide specific public services in the designated BID geographic area. In many was these organizations are structurally and fiscally similar to homeowner associations that assess fees to deliver specific services in small geographic areas.

Baer and Feiock (2005) argue that these organizations are private governments delivering services to members and have not only had a long history (homeowner and neighborhood associations have existed in some cities for more than a century) but are becoming increasingly popular and common. However, these organizations function within the boundaries and rules of existing local governments and have not led to calls for the dissolution of cities or de-annexation. Hence they are just another example of flexible governance and governments responding to challenges and opportunities. These organizations are responses to very local problems for which a collective response is necessary. Baltimore's community based district (CBD) is not purely voluntary in the manner that the citizens who voted against its formation are still required to be members of the CBD who have to pay additional taxes to the CBD and even if they are dissatisfied by the performance of CBD or its service delivery. However, the formation of Baltimore CBD is not necessarily permanent as the Baltimore city mayor and city council organize one or more public hearings every four years to decide whether the district will be terminated or continued for a new four- year period (Baltimore City Department of Legislative Reference, 2004).

The criticisms of business improvement districts (BIDs) and other forms of private governments have involved concerns with inequities in service levels that might exist between parts of a city. This has led some to consider these private governments as undemocratic and discriminatory even though they are constituted by votes to serve a specific geographic area. Violating Garreau's theory (1991) about the democratic quasi-public governments which are only democratic to a degree in which they serve the whole citizens and the whole voters; instead tend to use "one-dollar, one-vote democracy" (p.200), Baer and Feiock (2005) argue that the "Baltimore CBD did apply the one-citizen, one-vote principle." For example, a kind of inter-district social inequity might occur when property low-income owners may not be able to pay the additional property taxes and fees to form their own local governments in their areas. Consequently, they will be deprived from getting the needed supplemental services. This point is related to what was mentioned earlier that the homogeneity of the communities plays an important factor of adopting the inter-local government contracting successfully and efficiently.

On other hand, Laslo and Dennis (2006) investigate the civic leadership of St. Louis since World War II and they argue that such leadership has overcome the extreme fragmentation of public authority by building civic capacity to facilitate the revitalization of the downtown and other metropolitan areas embracing the whole citizens and voters. As defined by Stone (2005, p. 329), civic capacity is "a scheme of cooperation through which the members of the governing coalition align their contribution to the task of governing." Since the early 1990s, the civic leadership began to initiate various and huge urban development projects through the creation of a constellation of quasi-public governments and special districts. With the leadership's ability of forging political

coalitions, mobilizing resources, and making decisions that transcend general-purpose governmental jurisdictions, Laslo and Dennis (2006) emphasize that the constellation of quasi-public governments and special districts are now transforming the local state in St. Louis. Such rigorous civic leadership has not been available in Baltimore. Therefore, the encouragement of flexible governments means there will be inequities with regard to the delivery of some services when it is not supported by the whole citizens and voters and by a rigorous civic leadership.

The future of urban governance will be a web of organizations – some public, some in the nonprofit sector, and some in the private sector – dealing with regional issues and local urban service delivery, at the same time. Expertise in coordination with a particular emphasis on inter-governmental relations and the building of networks between organizations in different sectors of the economy will be needed to govern urban areas. Those skills will be at a premium and required job strength for all urban managers.

From this perspective it is easier to understand some of the wry humor from the debates over fragmentation v. consolidation. Current debates ignore a far more central point. At the same time that there is a concern with and for the quality of life in and at the neighborhood level, regional cooperation to enhance the quality of life, economic development, transportation, and environmental management is increasingly needed. Before using some material that will be discussed in-depth from a latter chapter, the causes of an increased need for regional activity and flexible organizational structures are discussed in the next section.

Moving this discussion from the theoretical to the practical plane, the Greater Cleveland area provides some valuable lessons. As noted, the region is mired in the

restructuring of the manufacturing sector that has led to automation, far higher levels of productivity, but a shrinking demand for labor. The decline in the fortunes of Northeast Ohio has led to the creation of several regional organizations including the Fund for Our Economic Future that unites the region's foundations in a common strategy for investing in new initiatives. Separate organizations focused on new and emerging companies were established by a series of public/private partnerships involving several cities, foundations, and business associations. At the same time, the region has focused on building community development corporations to focus on development with cities and neighborhoods, and these organizations are financed and supported by cities, regional foundations, and local institutions of higher education. There are then regional and local organizations forming to respond to initiatives and efforts to change the local economy, and these have taken place without the creation of a consolidated city/county government. Further, to help redevelop downtown Cleveland, the county has agreed to use its tax base for several projects while the new tax revenues created from these projects accrue to Cleveland. That too is a form of regional cooperation or governance without a consolidated government.

Regionalism and The Extension of Urban Space

Region and cross-jurisdiction alliances will increase – as they have in Cleveland without a consolidated government – simply as a result of the changes in spatial relationships within urban areas. In the span of less than 100 years, challenges and development patterns that were largely contained within the boundaries of individual cities now routinely span across cities and counties. Even when the first suburbs began to

emerge in the World War I era, central cities were the appropriate scale at which regional issues were addressed. Today, the situation is quite different. People want a quality of neighborhood life with parks, schools, and safety services delivered to them in an efficient manner, but in a way that local control is emphasized. At the same time citizens expect governments within a region to coordinate approaches and resources to address regional problems. That is the “new” demand from citizen-consumers who now vote with their feet between regions as they choose where they wish to live. Special districts, seen as local governments and formal institutions, have adopted strategies of promoting regional cooperation. They deal with the boundary design from the prospective of public problems and may achieve greater efficiency in providing local public services to their citizens. Many scholars also have emphasized the flexibility of special district boundaries once established, arguing that this flexibility help the local governance to adapt and adjust easily with the changing resource constraints and patterns of demand. For example, Mullin (2007) notes, “while flexible boundaries could help special districts to internalize spillovers while acting alone, it might impede more ad hoc forms of cooperation among localities.”

And there is now a broader array of services that transcend the boundaries of any community in the regional city-state in which citizen-consumers live. From traffic control to environmental quality, from strategies to assist with economic development and human capital development to public health and the cost of uncompensated care, the range of regional issues continues to expand. When once public safety was truly limited to one’s neighborhood, the current day brings with it the possibility of politically motivated attacks of unprecedented scale requires regional coordination beyond the

simple synchronization of communication systems. A single individual or a small group can produce scores of casualties and major disruptions to a region's operations. Indeed, disruptions of food or water supply systems – not to mention the release of infectious materials – requires regional responses and coordination with statewide and national authorities. The citizen-consumer demands that level of regionalism coupled with local control of neighborhood-level services.

As large as those challenges are, and even given the increasing number of issues that regional city-states must address, students of urban governance cannot forget that for citizens their everyday life revolves more around services they consume at the neighborhood level than it does the services that are regional in-scale or which dwarf the boundaries of any individual city. To that end, what is needed is a commitment to flexible governance systems that permit region's to develop regional institutions and compacts for those problems that require a regional or multi-city response. But for those services that are neighborhood in-scale, and for which citizens want the ability to speak to local mayors and councils, we should be wise enough to insure that the aspect of the quality of life is protected and enhanced.

This line of reasoning seems to confound many community leaders who today call for regionalism as the appropriate scale for urban governance. Those individuals need to consider the logic advanced by Tiebout (1956) more than a half-century ago and which was more clearly articulated in a subsequent article with Ostrom and Warren (1961). Ironically, they looked to fragmented structures as keys for the efficient production of local services that would or could generate the capital necessary for regional responses to regional issues. Not lost in the discussion of a model that insured competition to create

an environment for efficient production strategies that matched the demands of local residents is a political structure that gives residents the chance to either “vote with their feet” or directly participate to change the mix and quality of neighborhood services. Tiebout (1956) originally envisioned a system with citizen-consumers exercised their vote, participation, and evaluation of the quality and quantity of local services through their residential choice. In this manner people voted with their feet, moving to areas with the desired mix and quality of services. As extended in later years by Warren, Rosentraub, and Weschler (1992), if there is sufficient local control over local services, then residents could still vote with their feet or directly participate to change the mix and quality of services. That participation is integral to avoidance of the syndrome so aptly described by Putnam (2000) as “bowling alone.” In essence, what cannot be lost in the discussion of consolidated governments and the overwhelming trend towards a need for regional governance organizations is an equal commitment to protection of ways for residents to directly participate in government. If that was lost, what is feared through “bowling alone” tendencies could lead to a substantial disruption in what is described as the components of a civil society.

Continuing along these several different threats of reasoning, Parks and (Elinor) Ostrom (1999) and Parks and Oakerson (2000), and Savitch and Vogel (2000) each produced important publications in a more recent wave of analyses that sustained logic of flexible organizational structures to meet the varying scale of services required in urban centers. These studies are representative of a body of work that suggests competitive markets for public services could be more efficient in terms of costs (taxes) and opportunities for participation relative to a corporate view of decision-making that places

too much value on centralized authority. The focus on centralized authority is frequently advocated by business elites with a preference for single points of contact and more immediate decisions rather than the time consuming process usually associated with fragmented governments. However, the supposed efficiencies in terms of lower taxes and the higher costs in fragmented systems are frequently not sustained. Further, the issue of the reduced opportunities for participation in the affairs of governments is too often ignored in calls for consolidation. It should not be assumed that those costs are negligible.

Conclusions

The answer to the central issue for this volume – governance of regions in the 21st century – involves recognition that flexible systems will be required. As the number of regional issues increases local government officials will be expected to develop regional and intra-regional associations to address those concerns. Some issues will require the involvement of all of the units of local government in a region; others will require the cooperation of a few governments, and of course one can easily imagine the need for interregional associations for some issues.

While that agenda is being formulated and addressed attention cannot be diverted from the services that can and should be delivered and the local level. That level of service delivery is needed to realize the efficiencies created through competition between local service providers, but also to insure that citizens remain connected and involved with neighborhoods, neighbors, democracy, and local governments. Governance systems must focus as much on combating the “bowling along” syndrome, as they must on

insuring that services are delivered efficiently and effectively. The local governments will need to act collectively in the future in order to manage trans-regional problems and the inter-local agreements may be useful because they assist in establishing the principles for cooperative norms that contribute largely towards achieving efficiency and effectiveness in public service provision (Leroux and Carr, 2007).

This framework requires elastic governments and governance. The 21st century – unlike its predecessors – will challenge community leaders to create opportunities for the building of community and experimenting with democracy at the neighborhood level while forging partnerships to address regional issues. Perhaps that challenge did exist when suburbs became a reality in the latter part of the 20th century. Regardless, what is clear at this point in time is that the regions that will grow and prosper are those with sufficient flexibility that neighborhood level services are controlled at the neighborhood level and regional problems and challenges are addressed with a coordinated effort that convinces citizen-consumers that their preferences for efficiency and efficacy are being met.

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